

To the Members of the California State Senate:

I am returning Senate Bill 364 without my signature.

California's landmark law on data breach notification has had many beneficial results. Informing individuals whose personal information was compromised in a breach of what their risks are and what they can do to protect themselves is an important consumer protection benefit. The law has also provided a window on information privacy and security practices that has led organizations to make many improvements.

Unfortunately, this bill could lead consumers to believe that all data breaches result in identity theft. Further, this would place an additional unnecessary cost on businesses without a corresponding consumer benefit.

For these reasons I am unable to sign this bill.

Sincerely,

Arnold Schwarzenegger